

SAPC Payment Reform: Value-Based Incentives

Fiscal Year 2025-26

All Treatment Provider Meeting - July 15, 2025

Francisco Reyes, MPP
Manager, Fiscal Strategy Section
Finance Services Division



Key Changes for Fiscal Year 2025-26

- **New Name to Reflect Purpose:** SAPC's payment reform approach has been renamed Value-Based Incentives (VBI) to better reflect its core objective.
- **Aligned Focus Areas:** We have streamlined and aligned our efforts around three key priorities: 1) Finance and Business Operations, 2) Workforce Development, and 3) Access to Care.
- **Simplified Activities:** This year's VBI package features a more focused set of activities, making it easier for provider agencies to participate in and benefit from the program.
- **Increased and More Frequent Payments:** We have enhanced the incentive structure by offering higher amounts and more milestone-based payments to encourage ongoing engagement and sustained participation.



Category: Finance and Business Operations

Building Performance and Risk Metrics (New): This incentive enhances the ability of provider agencies to use various analytical strategies to strengthen data-informed decision-making, risk management, and financial sustainability. **Changes from FY 2024-25: Not applicable; new activity in FY 2025-26**

Managing Financial Risk in Value-Based Reimbursement (New): This incentive enhances provider agencies’ ability to navigate financial risk under value-based reimbursement and alternative payment models through risk-readiness assessments, stress testing, and financial strategy development. **Changes from FY 2024-25: Not applicable; new activity in FY 2025-26**

Timely Submission of CalOMS Admission and Discharge Records (Updated): This incentive strengthens the operational performance of provider agencies by ensuring that at least 65% of CalOMS admission and discharge records are submitted on time and are 100% complete. **Changes from FY 2024-25: The metric goal was updated to 65% from 45%.**

Timely Claims Submissions (New): This incentive supports fiscal accountability and revenue cycle management by ensuring 100% of prior-month service claims are submitted by the 10th of each month, as monitored through HODA-managed supplemental claims reporting. **Changes from FY 2024-25: Not applicable; new activity in FY 2025-26**

Category: Workforce Development

Employee Benefits Package (New): This incentive is designed to reimburse provider agencies for offering a baseline benefits package. Its objective is to stabilize the SUD workforce, improve recruitment and retention, and support long-term system sustainability. **Changes from FY 2024-25: Not applicable; new activity in FY 2025-26**

SUD Counselor Minimum Wage (Continuation): The provider agency must demonstrate that it offers a minimum wage of \$23 per hour for all Registered SUD Counselors employed by provider agency across all programs and funding streams. This includes support for agencies that implemented it in FY 2024-25. **Changes from FY 2024-25: Continuation**

Bilingual Bonus (Continuation): The incentive is designed to support provider agency efforts to recruit and retain bilingual direct service staff in efforts to increase language matching, which has been demonstrated to improve client engagement and service retention. **Changes from FY 2024-25: Continuation**

LPHA Sign-On/Retention Bonus (Continuation): This incentive enhances workforce stability and LPHA retention by offering up to \$5,000 per eligible LPHA who received a Sign-On/Loyalty Bonus Payment in Year 1. **Changes from FY 2024-25: Continuation**

MAT Prescribing Clinician Start-Up Cost Sharing (Continuation): This incentive provides a cost-sharing opportunity alongside the treatment provider agency's own financial investments to recruit, retain, and utilize medical clinicians as members of the provider agency's treatment team to provide medication services. **Changes from FY 2024-25: Continuation**



Category: Access to Care

<p>MAT Education/Services for Opioid Use Disorder (OUD) in Non-OTP settings (Updated): This incentive advances clinical quality and access to evidence-based care by ensuring that at least 60% of clients with OUD in non-OTP settings receive MAT education and/or medication services that include MAT. Changes from FY 2024-25: The metric goal was updated to 60% from 25%.</p>
<p>MAT Education/Services for Alcohol Use Disorder (AUD) (Updated): This incentive advances clinical quality and access to evidence-based care by ensuring that at least 50% of clients with AUD agency-wide receive MAT education and/or medication services that include MAT. Changes from FY 2024-25: The metric goal was updated to 50% from 15%.</p>
<p>MAT: Agency-wide Naloxone Distribution (Updated): This incentive enhances client safety and overdose prevention efforts by ensuring that at least 60% of clients agency-wide receive naloxone through prescription or distribution, as documented in the patient record. Changes from FY 2024-25: The metric goal was updated to 60% from 50%.</p>
<p>Clients Referred/Admitted to Another SUD LOC (Continuation): This incentive strengthens continuity of care by ensuring that at least 30% of clients are referred and admitted to another level of SUD care within 30 days of discharge. Changes from FY 2024-25: Continuation</p>



Category: Access to Care (cont.)

Mental and Physical Health Referrals/Care Coordination (New): This incentive supports integrated care by ensuring that at least 25% of patients with mental or physical health conditions are referred and connected to appropriate services.

Changes from FY 2024-25: Not applicable; new activity

R95 Champion (Updated): Provider agencies implement specified R95 initiatives, demonstrating a commitment to redesigning specialty SUD treatment systems by lowering barriers to care and building policies and systems around the needs of our patients. **Changes from FY 2024-25:** R95 initiatives included in criteria

R95 Client-Facing Agreements (Continuation): This incentive fosters a client-centered approach by ensuring participating treatment providers update client-facing agreements to recognize SUD as a chronic medical condition that will be treated with compassion. **Changes from FY 2024-25:** Continuation

Service Design Follow-up Implementation Plan (Continuation): This incentive supports provider agencies in using process improvement strategies to effectively implement previously developed plan to align program services with low barrier treatment that engage and retain individuals in services, including those not yet ready to maintain abstinence. **Changes from FY 2024-25:** Continuation



Resources

Payment Reform - Value-Based Incentives

SAPC Home / Network Providers / Payment Reform - Value-Based Incentives



Inquire!

Please submit Value-Based Incentive related inquiries to:
dph-sapc-vbi@ph.lacounty.gov



Find your answers here!

→ [Provider Meeting FAQ](#)
→ [R95 Workgroup FAQ](#)

Resources

- [Guidance Documents](#)
- [Upcoming Trainings](#)
- [Deadlines](#)

Payment Reform Rate Structure

SAPC's Value-Based Incentives (VBI) are designed to support and advance the implementation of CalAIM's Behavioral Health Payment Reform by shifting from primarily cost-based practices to fee-for-service and value-based practices. This approach encourages the adoption of innovative organizational practices, integration of data into decision-making, and a focus on service quality and outcomes across the specialty SUD treatment continuum.

Rate Structure ?

1. Base Rates

2. Value-Based Incentives Funds

Value-Based Incentives Funds

Base Rates

Tier 3 Rates	6+ Levels of Care
Tier 2 Rates	3-5 Levels of Care
Tier 1 Rates	1-2 Levels of Care

Finance and Business Operations

View Resources for Finance & Business

[Click here](#)

Workforce Development

View resources for Workforce Development

[Click here](#)

Access to Care

View resources for Access to Care

[Click here](#)

Resources

Guidance Documents

Access Incentive Package, VBI Invoice and other guidance documents for use

[Click here](#)

Upcoming Trainings

View and register for upcoming Trainings

[Click here](#)

Deadlines & VBI Communications

View upcoming at-a-glance due dates

[Click here](#)

Fiscal Year 2025-2026 Value-Based Incentives Package

July 2025 | Version 1.0

Thank You

For questions, please contact:

DPH-SAPC-VBI@ph.lacounty.gov